1948 FEDERAL CROP INSURANCE on CORN (Yield Insurance)

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The Federal Crop Insurance Corporation offers under annual contracts in designated counties insurance against loss in yield of corn due to unavoidable causes such as:

Drought	Rain
Insect Infestation	Plant Diseases
Hail	Wind
Frost	Flood

It DOES NOT insure against losses from avoidable causes such as neglect, poor farming practices, domestic animals or breakdown of machinery.

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A Federal crop insurance premium buys protection of the investment in a crop from planting through harvest.

It adds only a little to operating costs to insure against the production hazards which man cannot control. Crop insurance premiums are deductible as operating costs for income tax purposes.

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U.S. Federal Crop Insurance Corporation.

U. S. DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation

CORN CROP INSURANCE

Under present legislation corn producers in not to exceed 50 counties have the opportunity to take Federal crop insurance protection.

Only corn on land for which the Federal Crop Insurance Corporation has established coverages and rates can be insured.

Crop insurance premiums are used ONLY to pay losses to insured producers. Administrative costs are carried by the Federal Government as a service to farmers. Premiums collected in excess of losses paid can be used only to accumulate a reserve for use in years when losses exceed premiums. The accumulation of an adequate reserve will make possible reductions in premium rates.

Losses paid to farmers under the program are, of course, the major factor in determining proper changes in premium rates. Consequently, it is in the best interest of the majority of producers for only good risks to be insured under the program. For the same reason, it is in the interest of the majority of producers for loss adjustments to be made fairly and properly. Lax adjustments or insuring bad risks would be improper use of farmers' premiums.

Crop insurance is a farmers' program -- with each insured paying a small amount for protection against unavoidable production risks that none among them may suffer a disastrous loss.

Full information is available through the county office on the coverage and premium for each insurance unit.

COVERAGE PER ACRE

A coverage and premium rate per acre are established by the Federal Crop Insurance Corporation for all insurable acreage in the county. The coverage is expressed in bushels of corn per acre and the premium rate in dollars per acre.

The maximum protection is on harvested acreage because full production costs have been incurred. Protection on unharvested acreage is adjusted to reflect lower production costs.

If acreage is released for planting a substitute crop, a minimum charge of 50% of the coverage for this acreage is made against the total coverage. On other unharvested acreage a minimum charge of 15% of the coverage for this acreage is made against the total coverage. Whenever the production appraised by the adjuster exceeds the minimum charge, the actual appraisal is, of course, used.

DETERMINING LOSSES.

The indemnity due a producer is the amount by which the production for the insured acreage on the insurance unit falls short of the insured coverage. The 1947 county loan rate will be used in computing the cash amount of any indemnity.

Production on the insurance unit includes (1) any corn harvested and (2) any production charged against coverage for acreage released, for unharvested acreage and for corn lost from causes not insured against.

PREMIUM REDUCTIONS

A 5% premium discount is allowed on premiums paid in full on or before April 30, the deadline date for accepting applications.

Premiums are reduced 2% for each 50 acres of insured corn above the first 50 acres on an insurance unit up to a maximum reduction of 20%.

OTHER CONTRACT PROVISIONS

It is an annual contract -- for one year only.

The insurance period begins when the corn is planted and ends with harvest or December 10 whichever is earlier.

If your corn crop is destroyed while there is still time to replant you are expected to replant. If this acreage is not replanted it will not be insured.

Insured acreage destroyed or substantially destroyed may be released by the Corporation for other use, BUT no acreage may be put to another use unless a release in writing has been obtained from the Corporation. Arrangements must be made for appraisal of production before corn is used for silage or fodder purposes if there is any likelihood of a loss.

An assignment against the insurance contract may be made as collateral for a loan or debt.

> A producer may insure less than the total acreage of corn in an insurance unit by designating on his application the number of acres to be insured. A loss on an insurance unit where only a part of the acreage is insured will be reduced to the proportionate share for the insured acreage.

WHAT YOU DO

File an application before the closing date, April 30.

Notify the county office on or before June 30 if acreage planted is less than the acreage listed for the insurance unit on your application.

Plant, care for and harvest the crop in accordance with good farming practices.

Report immediately to the county office any material damage to the crop if you feel a loss under the insurance contract may result. Any loss under the contract must be reported within 15 days after harvest.

Pay your premium..... take advantage of the 5% discount feature..... avoid penalty interest.